

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)	
NORTHERN STATES POWER COMPANY-)	
WISCONSIN for authority to reinstate its)	Case No. U-11472
power supply cost recovery clause.)	
_____)	

At the August 25, 1997 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. John C. Shea, Commissioner
Hon. David A. Svanda, Commissioner

ORDER APPROVING APPLICATION

On July 30, 1997, Northern States Power Company-Wisconsin (NSP-W) filed an application for authority to reinstate its power supply cost recovery (PSCR) clause, effective January 1, 1998.

Originally, NSP-W's PSCR clause was approved in a December 17, 1986 order in Case No. U-8591. However, in an order issued on September 12, 1996 in Case No. U-11166, the Commission granted NSP-W's request to have its PSCR clause suspended as of the close of NSP-W's 1996 PSCR year through December 31, 2000 to facilitate a possible merger with another utility.

In its application, NSP-W states that its planned merger has been abandoned as the result of unexpected regulatory complications with other states and the Federal Energy Regulatory Commission. Therefore, because the main reason for requesting a suspension of the PSCR clause no longer exists, NSP-W desires to reactivate its PSCR clause as of January 1, 1998. Finally, NSP-W argues that a contested case hearing is

unnecessary in connection with its request to reactivate its PSCR clause because contested case hearings were conducted in Case No. U-8591.

After a review of the application, the Commission finds that NSP-W's proposal is reasonable and in the public interest, and should be approved.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1982 PA 304, as amended, MCL 460.6h et seq.; MSA 22.13(6h) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACCS, R 460.17101 et seq.
- b. NSP-W's application is reasonable and in the public interest, and should be approved.
- c. Ex parte approval of the application is appropriate.

THEREFORE, IT IS ORDERED that:

- A. Northern States Power Company-Wisconsin's application for reinstatement of its power supply cost recovery clause is approved.
- B. Northern States Power Company-Wisconsin's power supply cost recovery clause is reinstated for service rendered on and after January 1, 1998.
- C. Northern States Power Company-Wisconsin shall file, no later than September 30, 1997, its complete power supply cost recovery plan for the 12-month period ending December 31, 1998, and its two-year forecast.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

John G. Strand
Chairman

(S E A L)

John C. Shea
Commissioner

David A. Svanda
Commissioner

By its action of August 25, 1997.

Dorothy Wideman
Executive Secretary

C. Northern States Power Company-Wisconsin shall file, no later than September 30, 1997, its complete power supply cost recovery plan for the 12-month period ending December 31, 1998, and its two-year forecast.

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MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

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By its action of August 25, 1997.

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Case No. U-11472

Suggested Minute:

“Adopt and issue order dated August 25, 1997 approving the application filed by Northern States Power Company-Wisconsin for reinstatement of its power supply cost recovery clause, as set forth in the order.”